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2014 Report of the Division of Banking
Financial Literacy Education through Financial Institutions

In June 2013 the Iowa Legislature appropriated \$100,000 to the Iowa Division of Banking (IDOB) for providing financial literacy education through banks. Subsection 9(3) of HF 648 provides as follows:

3. DEPARTMENT OF COMMERCE — DIVISION OF BANKING For financial literacy education: \$ 100,000

a. DEFINITIONS For the purposes of this subsection, unless the context otherwise requires:

- (1) "Administrator" means the division of banking of the department of commerce.
(2) "Financial institution" means a bank, bank holding company, savings bank, or savings and loan association organized under the laws of this state, another state, or the United States, approved for participation by the administrator.
(3) "Operating organization" means an agency selected by the administrator for involvement in financial literacy education.

b. PROGRAM — ELIGIBILITY

- (1) The administrator shall utilize a request for proposals process for selection of operating organizations.
(2) The selected operating organization shall administer a financial literacy education program through financial institutions to citizens of the state. The program shall include any of the following:
(a) Home buyer education.
(b) Financial literacy education for students in kindergarten through grade twelve and for college students.
(c) Financial literacy programs for entrepreneurs.
(d) Financial literacy teacher training.

c. By October 1, each year through October 1, 2016, the division shall submit a report to the general assembly detailing the expenditures made from the moneys appropriated in this subsection during the previous fiscal year.

d. Notwithstanding section 8.33, moneys appropriated in this paragraph that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year beginning July 1, 2015.

The IDOB awarded financial literacy grants to TS Bank Institute and the Iowa Bankers Association.

TS Bank Institute is a non-profit organization that has successfully partnered with several schools in the Green Hills AEA to enhance financial education by creating and implementing comprehensive K-12 financial literacy programs. It will use the \$62,730 award to work with financial institutions to replicate elements of this programming throughout the state in K-12 school districts and colleges. TS Bank Institute has not yet been paid any of the money awarded to it. TS Bank Institute's report of its activities pursuant to the grant is attached as Attachment A.

The Iowa Bankers Association (IBA) is the largest state banking association in the country, providing services to Iowa's 353 banks. The IBA will use its \$32,270 award to provide financial literacy education for entrepreneurs, an area where there is an unmet need for practical financial education. The IBA will develop a scholarship program to assist Iowa business owners with finding entrepreneurial and financial literacy training to effectively start, grow and expand their operations. A summary of the IBA's activities and expenditures pursuant to the grant is attached as Attachment B.

Attachment A

Iowa Division of Banking Report – Financial Literacy Bank Outreach Project

1. Number of financial institutions engaged to-date: 10
 - a. Institutions:
 - i. Farmers Savings Bank – Manchester
 1. Interested in 5th/6th grade computer simulation solutions for area elementary school. We provided information and resources to address that need as well as advice for the bank to engage the school district.
 - ii. Primebank – LeMars
 1. Interested in exploring a more comprehensive K – 12 program in some of the areas they have bank branches. We provided Primebank with our program overview and directed them to our website for ideas on content to create a robust K-12 program.
 - iii. Community Savings Bank – Edgewood
 1. Discussed overall financial literacy programming options for elementary, middle and high schools in Edgewood.
 - iv. Manufacturer’s Bank and Trust – Forest City
 1. Spoke with bank CEO about the various elements of our program. He said he would review our website and contact me with any further questions.
 - v. Mediapolis Savings Bank - Mediapolis
 1. Discussed high school banking with members of their leadership team. Explained our process and the results we have had to-date. The bank has since opened their own middle/high school bank.
 - vi. Community Bank Iowa - Logan
 1. Spoke with bank regarding our program and provided resources to assist school districts her bank branches serve.
 - vii. First Iowa State Bank - Albia
 1. Spoke in detail with the leadership team about establishing an elementary school banking program in Albia.
 - viii. Bank First – West Union
 1. Provided information on curriculum sources and after school programming. Bank First was primarily interested in getting involved at the elementary school level with Junior Achievement and in-school banking.

- ix. Quad Cities Bank and Trust - Davenport
 - 1. Discussed programming options with John Anderson and Jill Dubin. They were interested in high school engagement as well as in-school banking.
 - x. City State Bank - Grimes
 - 1. Spoke with Phil Kennedy about some elementary and middle school programming CSB can do to interact with the Grimes School District.
2. Number of Iowa citizens receiving financial literacy education: TBD
- a. I have not received information from the banks we have engaged relative to total population served. This information will be made available at the next reporting period.
3. Names of counties in which financial education programming has been discussed/implemented:
- a. Delaware
 - b. Plymouth
 - c. Hancock
 - d. Winnebago
 - e. Des Moines
 - f. Monroe
 - g. Harrison
 - h. Fayette
 - i. Scott
 - j. Polk
4. Survey summary – data not available yet.

Recap of activities to-date

Most of the time the TS Bank Institute has spent relative to this project since February has been allocated to project ramp up, including compilation of bank contact lists, email blasts, webinar set up, phone scripts, and resource materials. As stated above, we have engaged several banks, but have done so on a one-off basis as we were preparing to begin our outreach campaign in earnest. We have identified 367 individual bank locations that comprise our target market. Our intent is to engage banks on a county by county basis and engage in email/webinar/face to face visits with them to determine areas in which we can assist. A comprehensive detailing of those engagements, in addition to data as it will be made available, will be available at the next reporting period.

Attachment B

Financial Literacy Scholarship Program Report



The Iowa Bankers Association has prepared the following report for the Iowa Division of Banking to meet the annual reporting requirements for the financial literacy grant awarded in February 2014 (as defined in HF 648).

- **Report Date:** Aug. 1, 2014

- **Reporting Period:** Program Activity for the Period of July 1, 2014 to July 31, 2014.

- **Number of Participating Financial Institutions:** Three financial institutions
 - **Dubuque Bank & Trust** – approved 3/25/14 for an amount of \$1,000 for to provide a training seminar by Profit Mastery to a group of small businesses June 10-11, 2014, at the bank. Waiting for invoice from the bank to issue payment.
 - **Vision Bank of Iowa, Ogden** – approved 7/15/14 for an amount of \$1,000 to provide CPA consultation by Rose Hubby to Heartland Gaskets, a restaurant refrigerator and freezer repair company in Ogden at a time yet to be determined.
 - **State Savings Bank, Bedford** – approved 7/30/14 for an amount of \$1,000 to cover facilities costs to provide a 3-4hour lecture by Tom Eggers of Iowa State University and the Farm Services Agency on the new/revised Farm Program will impact area farm owners and operators in early September 2014 at the local American Legion Hall.

- **Number of Iowa Citizens Receiving Financial Literacy Education Through the Program:** 32+
 - Dubuque Bank & Trust reported having 31 registrants for the event.
 - Vision Bank of Iowa reported helping 1 Iowa business.
 - State Savings Bank does not yet have an estimate of the number of participants.

- **List of Iowa Counties in which Iowa Citizens Receiving Benefits Resided:**
 - Dubuque County
 - Boone County
 - Taylor County

- **Performance Standard and Metrics To Date:**
 - **March** - Dubuque Bank & Trust application approved March 25 by the IBA Management Committee

- **April** – The IBA provided information about the program at the Day with the Superintendent April 17 and in the April issue of its *Iowa Bankers Exchange* publication that is distributed to all member banks. IBA staff also held an exploratory conversation with Quad City Bank & Trust about potentially using the program.
- **May** – The IBA provided information about the program at the IBA Marketing Conference May 1, IBA Marketing Peer Group meeting May 22, and at all of the IBA Group Meetings (Nine group meetings were held across the state May 5-21). IBA staff also answered inquiries about the program from Hills Bank and Trust Company in Iowa City and Community Bank in Indianola.